## **REGULATION (39-) 26-202.**

The primary purpose of the "use tax" is to impose a tax upon the privilege of storing, using or consuming any tangible personal property purchased at retail. The "use tax" is complementary to the sales tax in those situations where a sales tax cannot, as a practical matter, be collected, or has not, for any reason, been collected in the course of the retail transaction. A sale by any licensed or unlicensed vendor to a user or consumer and not for resale is a retail sale.

The obligation for the payment of the tax is upon the user whether the tax is called a "sales" tax or a "use" tax.

The sales tax and the use tax stand as complements and together provide a uniform tax upon either the sales, storage, use or consumption of all tangible personal property and taxable services purchased at retail. The amount of the tax is measured by the purchase price of the property or service.

Where tangible personal property is traded or exchanged between unlicensed persons, the sales or use tax is based on the fair market value of each article. Each owes the tax on the fair market value of the tangible personal property he received in exchange, except for exchanges of motor vehicles governed by §39-26-704 (5), C.R.S.

The use to which property is put, in order to bring about imposition of the tax, is not necessarily actual and ultimate usage, but may be only such use as is made by the owner or purchaser in exercising control. Use shall be deemed sufficient for the imposition of the tax when the article purchased is actually used or made available for use after delivery is completed, as well as when keeping, storing, withdrawing from storage, moving, installing, or performing any other act by which dominion or control over the property is assumed by the purchaser.

"Consumption" means the act or process of consuming; the term includes waste, destruction, or using up.